

970 - PERFORMANCE MEASURES

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I. PURPOSE

This Policy applies to AHCCCS Complete Care (ACC), ALTCS E/PD, DCS/CMDP (CMDP), DES/DDD (DDD), and RBHA Contractors. This Policy outlines the purpose of performance measures and associated Contractor requirements in meeting contractual obligations related to the delivery of care and services to its members.

II. DEFINITIONS

ACCESS The timely use of services to achieve optimal outcomes, as evidenced by managed care plans successfully demonstrating and reporting on outcome information for the availability and timeliness elements defined under 42 CFR 438 and 42 CFR 438.

ASSESS OR EVALUATE The process used to examine and determine the level of quality or the progress toward improvement of quality and/or performance related to Contractor service delivery systems.

AHCCCS QUALITY IMPROVEMENT (QI) TEAM AHCCCS staff who evaluates Contractor Quality Management/Performance Improvement (QM/PI) programs, monitors compliance with required quality/performance improvement standards, Contractor Corrective Action Plans (CAPs) and Performance Improvement Projects (PIPs), and provides technical assistance for QM/PI related matters.

AHCCCS QUALITY MANAGEMENT (QM) TEAM AHCCCS staff who researches and evaluates Quality of Care (QOC) concerns, provides oversight of contractor credentialing and delegation processes, monitors compliance with required quality standards and Contractor Corrective Action Plans (CAPs) and provides technical assistance for Quality Management (QM) related matters.

**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE
IMPROVEMENT PROGRAM**

BENCHMARK	The process of comparing a practice's performance with an external standard to motivate engagement in quality improvement efforts and understand where performance falls in comparison to others. Benchmarks may be generated from similar organizations, quality collaboratives, or authoritative bodies.
HEALTH INFORMATION SYSTEM	Data system composed of the resources, technology, and methods required to optimize the acquisition, storage, retrieval, analysis and use of data. Health informatics tools include not only computers but also clinical guidelines, formal medical terminologies, and information and communication systems.
LONG TERM SERVICE AND SUPPORTS (LTSS) PROVIDERS	Individuals that provide the services and supports used by individuals of all ages with functional limitations and chronic illnesses who need assistance to perform routine daily activities such as bathing, dressing, preparing meals, and administering medications.
MEASURABLE	The ability to determine definitively whether or not a quantifiable objective has been met, or whether progress has been made toward a positive outcome.
METHODOLOGY	The planned documented process, steps, activities or actions taken by a Contractor to achieve a goal or objective, or to progress towards a positive outcome.
MONITORING	The process of auditing, observing, evaluating, analyzing and conducting follow-up activities, and documenting results via desktop or on-site review.
OBJECTIVE	A measurable step, generally one of a series of progressive steps, to achieve a goal.
OUTCOMES	Changes in patient health, functional status, satisfaction or goal achievement that result from health care or supportive services.
PERFORMANCE IMPROVEMENT/QUALITY IMPROVEMENT	The continuous study and improvement of processes with the intent to better services or outcomes, and prevent or decrease the likelihood of problems, by identifying areas of opportunity and testing new approaches to fix underlying causes of persistent/systemic problems or barriers to improvement.

**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE
IMPROVEMENT PROGRAM****PERFORMANCE
IMPROVEMENT PROJECT
(PIP)**

A planned process of data gathering, evaluation and analysis to determine interventions or activities that are projected to have a positive outcome. A PIP includes measuring the impact of the interventions or activities toward improving the quality of care and service delivery.

**PLAN-DO-STUDY-ACT
(PDSA) CYCLE**

A scientific method for testing a change or intervention, designed to result in improvement in a specific area. The cycle is completed by planning the change/intervention, trying it, observing the results, and acting on what is learned. When these steps are conducted over a relatively short time period; i.e. over days, weeks or months, the approach is known as Rapid Cycle Improvement.

**PLAN-DO-STUDY-ACT
(PDSA) METHOD**

A four step model to test a change that is implemented. Going through the prescribed four steps utilizing one or more PDSA cycles guides the thinking process into breaking down the task into steps and then evaluating the outcome, improving on it, and testing again.

QUALITY

As it pertains to external quality review, means the degree to which an MCO increases the likelihood of desired outcomes of its enrollees through:

1. Its structural and operational characteristics,
 2. The provision of services that are consistent with current professional, evidenced-based-knowledge, and
 3. Interventions for performance improvement.
- (42 CFR438.320).

**STATISTICALLY
SIGNIFICANT**

A judgment of whether a result occurs because of chance. When a result is statistically significant, we mean that it is unlikely that the result occurs because of chance or random fluctuation.

There is a cutoff for determining statistical significance. This cutoff is the significance level. If the probability of a result (the significance value) is less than the cutoff (the significance level), the result is judged to be statistically significant. See Watson's Analytics Guide at www.ibm.com.

III. POLICY**A. OVERVIEW**

AHCCCS has developed and implemented performance metrics to monitor the compliance of its Contractors in meeting contractual requirements related to the delivery of care and services to its members. In developing the metric performance measure set, attention was

paid to the goals coined by the Institute for Health Improvement (IHI) and adopted by the Centers for Medicare and Medicaid Services (CMS), which is called the “Triple Aim for Populations.” IHI defines the Triple Aim as “a framework for optimizing health system performance.” There are three components to the Triple Aim:

1. Improve the experience and outcomes of care,
2. Improve the health of populations, and
3. Reduce the per capita costs of healthcare.

The components of the Triple Aim shall be balanced in order to reach the overarching goal of optimizing the healthcare system. In order to achieve the Triple Aim, an accurate, reliable and valid health information system is necessary and required. The health information analytics system shall be able to aggregate and analyze clinical, service, financial, and patient experience of care data in order to standardize best practices, implement targeted interventions and track improvement over time. Examples of how the three components of the Triple Aim may be implemented include:

1. Improve the Experience and Outcomes of Care
 - a. Offer incentives and penalties to improve the experience of care, such as:
 - i. Meeting the Value-Based Payment (VBP) patient satisfaction goals, and
 - ii. Attaining Consumer Assessment of Healthcare Providers and Services (CAHPS) patient satisfaction goals.
 - b. Utilize supplemental data sources (such as the Health Information Exchange [HIE]) to fully understand how and from whom members receive services and promote opportunities for increased care coordination.
2. Improve the Health of Populations
 - a. Provide payment based on quality, such as:
 - i. Achieving quality metrics, and
 - ii. Meeting pay-for-performance/quality or value-based purchasing metrics.
 - b. Establish opportunities for clinically integrated care, such as:
 - i. Implementation/use of the HIE,
 - ii. Increased use of electronic health records,
 - iii. Creating disease registries,
 - iv. Providing clinician and member portals,
 - v. Offering Patient Centered Medical Homes,
 - vi. Utilizing Accountable Care Organizations, and
 - vii. Providing population health initiatives that:
 - 1) Support and encourage patient engagement, and
 - 2) Incorporate mobile applications.

3. Reduce the per capita costs of health care
 - a. Reform delivery and payment systems to provide better care in a cost-efficient manner by:
 - i. Structuring payment based on quality,
 - ii. Rewarding increased access to care, and
 - iii. Developing methods to utilize electronic health records for care coordination and quality improvement.

B. PERFORMANCE MEASURES (PMs)

1. AHCCCS Performance Measures (PMs) are based on:
 - a. CMS Core Measure Sets,
 - b. National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS) measures,
 - c. Substance Abuse and Mental Health Services Administration (SAMHSA) quality measures, and
 - d. Other resources.
2. AHCCCS PMs are integral to each Contractor's QM/PI Program and may focus on clinical and non-clinical areas. Examples of clinical areas that may be measured include, but are not limited to: maternal/child health, wellness and screening services, disease management processes, readmissions, and/or utilization of services. Non-clinical areas such as access to care, placement at appropriate level of care, supervision of providers, provider turnover, interpretation services, and cultural competency may also be included as performance measures.
3. Contractors are required to report on PMs identified in Contract. Contractors that provide LTSS shall also include LTSS-specific PMs that examine, at a minimum, members' quality of life and the Contractor's rebalancing and community integration outcomes. PMs specific to member's selecting a self-directed option may also be developed. The measures shall consider underlying performance, performance gaps, reliability and validity, feasibility, and alignment. The measures shall support and align with the Contractor's QM/PI Program (42 CFR 438.330(c)(1)(ii)).
4. The AHCCCS PMs are used to evaluate whether Contractors are fulfilling key contractual obligations. Such PMs, established or adopted by AHCCCS, are also an important element of the Agency's approach to transparency in health services and VB P. Contractor performance is publicly reported on the AHCCCS website (e.g. report cards and rating systems), and other means, such as sharing of data with state agencies and other community organizations and stakeholders. Contractor performance is compared to AHCCCS requirements and to national Medicaid health plan means, as well as goals established by CMS.

5. CMS may, in consultation with States and other stakeholders, specify standardized PMs and topics for PIPs for inclusion alongside state-specified measures and PIP topics in state contracts (42 CFR 438.330(a)(2)). Contractors are required to participate in PMs and PIPs mandated by CMS.
6. PMs shall be reported by Contractors to QI Team on a quarterly basis. PMs shall be analyzed and reported separately, by line of business ACC, CMDP, DDD, E/PD, and RBHAs (SMI) and according to specifications identified within AMPM Appendix A.

At this time, KidsCare data is not required to be reported on a quarterly basis, however, Contractors should monitor KidsCare measures internally to ensure compliance with contractual standards.

C. PERFORMANCE MEASURE REQUIREMENTS

The Contractor shall comply with AHCCCS QM/PI Program requirements to enhance performance for all AHCCCS established PMs. Descriptions of the AHCCCS PMs can be found for all lines of business within AMPM Appendix A. Contractors are responsible for applying the correct PM methodologies, including the CMS-416 methodology as developed by CMS, for its internal monitoring of PM results.

1. The Contractor shall:
 - a. Achieve at least the Minimum Performance Standards (MPS) established by AHCCCS for each measure, based on the rate calculated or required by AHCCCS. In cases where the AHCCCS MPS have been met, other generally accepted benchmarks that continue the Contractor's improvement efforts will be used to establish the program's measurable objectives. These may include benchmarks established by the National Committee on Quality Assurance or other national metrics. Contractors may also develop additional specific measurable goals and objectives aimed at enhancing the QM/PI Program, and
 - b. Develop an evidence-based CAP for each measure that does not meet the MPS, to bring performance up to at least the minimum level required by AHCCCS. Each CAP shall utilize a PDSA Model with repeat PDSA Cycles implemented, as described below.

PDSA cycles consist of the following steps (for more information, refer to the Agency for Healthcare Research and Quality website at www.ahrq.gov):

 - i. **Plan:** Plan the change(s) or intervention(s), including a plan for collecting data. State the objective(s) of the intervention(s),
 - ii. **Do:** Try out the intervention(s) and document any problems or unexpected results,
 - iii. **Study:** Analyze the data and study the results. Compare the data to predictions and summarize what was learned,
 - iv. **Act:** Refine the change(s)/intervention(s), based on what was learned, and prepare a plan for retesting the intervention(s), and
 - v. **Repeat:** Continue the cycle as new data becomes available until improvement is achieved.

- c. Have the CAP approved by AHCCCS prior to implementation. Each CAP shall include, at a minimum, the following components:
 - i. Documentation of evaluation results for the existing interventions designed to achieve AHCCCS MPS, including barriers to utilization of services and/or reasons why the interventions have not achieved the desired effect,
 - ii. Identification of new or enhanced interventions that will be implemented in order to bring performance up to at least the minimum level established by AHCCCS, include evidence-based practices that have been shown to be effective in the same/similar populations,
 - iii. List of activities and/or strategies that the Contractor is using to allocate increased administrative resources to improve rates for a particular measure or service area,
 - iv. List of staff positions responsible for implementing/overseeing interventions with specific timeframes for implementation,
 - v. The means for measuring the results of new/enhanced interventions on a frequent basis, specify frequency,
 - vi. The means for refining interventions based on what is learned from testing different approaches or activities, and
 - vii. Description of a process for repeating the cycle until the desired effect – a rate that meets or exceeds the minimum level established by AHCCCS – is achieved.
- d. Monitor and report to AHCCCS, the status of and any discrepancies identified in encounters submitted to and received by AHCCCS, including paid, denied and pending encounters for purposes of PM monitoring. The Contractor is responsible for monitoring its subcontractor encounter submissions,
- e. Show significant improvement from year to year, which is sustained over time, in order to meet goals for performance established by AHCCCS,
- f. Comply with national PMs and levels that may be identified and developed by CMS in consultation with AHCCCS and/or other relevant stakeholders,
- g. The Contractor's QM/PI Program shall internally measure and report to AHCCCS, its performance for contractually mandated performance measures, using standardized methodology established or adopted by AHCCCS. These results are to be all inclusive and reported to AHCCCS utilizing AMPM Appendix A, and within the QM/PI Program Work Plan Evaluation (refer to AMPM Policy 920, and Attachment 920-A, for more information specific to QM/PI Program Annual Plan submissions). Contractor calculated and/or reported rates will be used strictly for monitoring the effectiveness of Contractor actions/interventions and will not be used by AHCCCS for official reporting or for corrective action purposes,
- h. The Contractor shall use the results of the AHCCCS contractual PM (from its internal measurement and rates reported by AHCCCS) in evaluating its QM/PI Program,
- i. A Contractor shall show demonstrable and sustained improvement toward meeting AHCCCS MPSs. AHCCCS may impose sanctions on Contractors that do not show statistically significant improvement in a measure rate as calculated by AHCCCS. Sanctions may also be imposed for statistically significant declines of rates (even if they meet or exceed the MPS), for any rate that does not meet the AHCCCS MPS,

or a rate that has a significant impact to the aggregate rate for the State. AHCCCS may require the Contractor to demonstrate that they are allocating increased administrative resources to improving rates for a particular measure or service area. AHCCCS also may require a CAP for measures that are below the MPS or that show a statistically significant decrease in its rate, even if it meets or exceeds the MPS, and

- j. Refer to the AHCCCS Contract for standards related to each AHCCCS required PM.
2. Contractors may be directed to collect all or some of the data used to measure performance. In such cases, the Contractor shall have qualified personnel collect data and the Contractor shall ensure inter-rater reliability if more than one person is collecting and entering data. Contractors shall submit specific documentation to verify that indicator criteria were met.
3. Contractor rates for each measure will be compared with the MPS specified in the Contract effective during that measurement period. For example, performance standards in the CYE 2017 contract apply to results calculated by AHCCCS based on the measurement period of CYE 2017.

D. QUALITY RATING SYSTEM

AHCCCS will develop a Contractor quality rating system for its Contractors in accordance with 42 CFR 438.334. The quality rating system will measure and report on performance data collected from each Contractor on a standardized set of measures that will be determined by CMS, as well as state identified measures. The components of the rating system will be based on three categorical indicators:

1. Quality management,
2. Member experience, and
3. Plan responsiveness.